

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

IN RE VERIFONE HOLDINGS, INC.  
SECURITIES LITIGATION,

) No. C 07-06140 MHP

) Honorable Marilyn Hall Patel  
) Courtroom 15  
)  
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)

**DECLARATION OF RON AHARON IN RESPONSE TO THE COURT'S MAY 14, 2008  
ORDER REQUESTING SUPPLEMENTAL INFORMATION**

I, Ron Aharon, make this Declaration in Response to the Court's Order of May 14, 2008 requesting supplemental information regarding Direct's transactions in Verifone Holdings, Inc. ("Verifone") securities:

1. Schedule A reflects: a) the number Lipman shares held by Direct in each of the referenced accounts immediately before the consummation of the merger between Lipman Electronics Engineering, Ltd. ("Lipman") and Verifone Holdings, Inc. on November 1, 2006; b) the number of Lipman shares held by Direct in the referenced accounts immediately after the consummation of the merger on November 1, 2006; c) the number of Lipman shares converted to Verifone shares as part of the merger; d) the name of the exchange over which each purchase and sale of Lipman shares were conducted and e) the actual owners of the accounts referenced in the schedule.

3. Direct had discretionary authority to make investments on behalf of the accounts referenced in Schedule A.

4. Direct had the authority to vote the shares reflected in Schedule A.

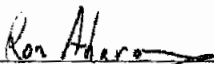
5. Direct did not have any information available regarding Lipman that was not generally available to the public and none of Direct officers or directors had any relationship with Lipman prior to the November 1, 2006 merger.

6. Schedule B reflects: a) the number of original Verifone shares—excluding all Verifone shares gained as a result of the merger with Lipman—purchased for each referenced account between August 30, 2006 and December 3, 2007; b) the total funds expended for the referenced accounts in purchasing Verifone shares during this period; c) the number of original Verifone shares sold during this period; d) the total funds received from selling the original Verifone shares during this period; 5) the number of original Verifone shares retained as of December 3, 2007; 6) the amount paid for the shares retained as of December 3, 2007—calculated according to the price paid for the shares bought most recently in time, but prior to December 3, 2007; 7) the losses incurred due to shares retained as of December 3, 2007; and 8) the actual owner of the stocks for each account referenced in the schedule.

7. Direct had the discretion to purchase or sell the shares referenced in Schedule B.

8. Direct had the right to vote the shares held in the accounts referenced in Schedule B

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 11 day of June, 2008, in Tel Aviv, Israel.

  
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Ron Aharon  
Chief Financial Officer  
Direct Investment House, Ltd.

## **SCHEDULE A**

06/12/2008vk  
SCHEDULE A

Lipman Electronic Eng  
 Direct Investment

Account	Shs Held Prior to Merger on 11/01/2006	Shs Held After Merger on 11/01/2006	Number of Shs Converted to Verifone Shs	Exchange Pur/Sld Lipman Shs	Ownership	Voting Authority	Pur/Sld Authority	Relationships with Lipman
31-46-00119342	16,980	0	16,980	Tel Aviv	Direct	Direct	Direct	None
31-46-00119350	1,241	0	1,241	Tel Aviv	Direct	Direct	Direct	None
31-46-00134031	9,097	0	9,097	Tel Aviv	Direct	Direct	Direct	None
31-46-00210455	7,465	0	7,465	Tel Aviv	Direct	Direct	Direct	None
31-46-00355739	4,489	0	4,489	Tel Aviv	Direct	Direct	Direct	None
31-46-00406228	1,000	0	1,000	Tel Aviv	Direct	Direct	Direct	None
31-46-00559245	100	0	100	Tel Aviv	Direct	Direct	Direct	None
31-46-00677051	200	0	200	Tel Aviv	Direct	Direct	Direct	None
31-46-00800201	18,933	0	18,933	Tel Aviv	Direct	Direct	Direct	None
31-46-00907030	1,177	0	1,177	Tel Aviv	Direct	Direct	Direct	None
31-46-00919810	1,398	0	1,398	Tel Aviv	Direct	Direct	Direct	None
31-46-00919845	500	0	500	Tel Aviv	Direct	Direct	Direct	None
<b>Totals</b>	<b>62,580</b>	<b>0</b>	<b>62,580</b>					

## **SCHEDULE B**

## VERIFONE HLDGS INC

CLASS PERIOD: AUG 31 2006 through DEC 03 2007 (8:00 AM EST)

Direct Investment - Transactions in Original Verifone stock

SCHEDULE B

Account	Shares Purchased	Amount Paid	Shares Sold	Amount Received	Shares Retained 12/03/2007	Amt Paid Shs Retained 12/03/2007	Loss on Retained Shs	Ownership	Voting Authority	Pur(Sid) Authority
31-46-00036498	2,369.00	(\$90,099)	(1,969.00)	\$80,439	400.00	(\$16,341)	(\$4,919)	Direct	Direct	Direct
31-46-00119342	4,056.00	(\$171,854)	0.00	\$0	4,056.00	(\$171,854)	(\$56,039)	Direct	Direct	Direct
31-46-00119350	39,051.00	(\$1,416,256)	(31,165.63)	\$1,178,570	7,885.37	(\$313,491)	(\$67,960)	Direct	Direct	Direct
31-46-00134031	7,480.00	(\$299,046)	(2,500.00)	\$93,301	4,980.00	(\$203,253)	(\$61,054)	Direct	Direct	Direct
31-46-00210455	197.00	(\$6,901)	0.00	\$0	197.00	(\$6,901)	(\$1,275)	Direct	Direct	Direct
31-46-00355739	8,794.00	(\$317,663)	(6,700.00)	\$285,304	2,094.00	(\$88,715)	(\$28,923)	Direct	Direct	Direct
31-46-00406228	1,156.00	(\$48,840)	0.00	\$0	1,156.00	(\$48,980)	(\$15,971)	Direct	Direct	Direct
31-46-00542733	110.00	(\$4,651)	0.00	\$0	110.00	(\$4,661)	(\$2,372)	Direct	Direct	Direct
31-46-00542784	76.00	(\$3,220)	0.00	\$0	76.00	(\$1,587)	(\$6)	Direct	Direct	Direct
31-46-00542938	180.00	(\$8,456)	0.00	\$0	180.00	(\$8,456)	(\$4,711)	Direct	Direct	Direct
31-46-00559245	250.00	(\$10,579)	0.00	\$0	250.00	(\$10,592)	(\$3,453)	Direct	Direct	Direct
31-46-00677051	199.00	(\$8,406)	0.00	\$0	199.00	(\$8,432)	(\$2,749)	Direct	Direct	Direct
31-46-00800201	0.50	(\$20)	0.00	\$0	0.50	(\$20)	(\$6)	Direct	Direct	Direct
31-46-00907030	10,700.00	(\$432,801)	(2,750.00)	\$102,631	7,950.00	(\$324,470)	(\$97,465)	Direct	Direct	Direct
31-46-00919810	829.00	(\$34,909)	(137.00)	\$5,597	692.00	(\$29,317)	(\$9,558)	Direct	Direct	Direct
31-46-00919845	2,027.00	(\$86,731)	(847.00)	\$36,346	1,180.00	(\$49,992)	(\$16,298)	Direct	Direct	Direct
33-414-00013271	1,791.00	(\$84,882)	(1,012.00)	\$48,420	779.00	(\$38,351)	(\$17,491)	Direct	Direct	Direct
33-414-00013298	1,113.38	(\$52,799)	(416.00)	\$19,906	697.38	(\$34,332)	(\$15,196)	Direct	Direct	Direct
33-414-00013328	167.00	(\$8,024)	(72.00)	\$3,446	95.00	(\$4,677)	(\$1,945)	Direct	Direct	Direct
<b>Total</b>	<b>80,545.88</b>	<b>(\$3,086,136)</b>	<b>(47,568.63)</b>	<b>\$1,853,961</b>	<b>32,977.25</b>	<b>(\$1,364,422)</b>	<b>(\$407,391)</b>			

Notes:

US Dollar Equivalent as of March 02 2008, the last day of the 90-Day post-Class Period.

Sales Methodology: FIFO e.g.

Day 1 Received 100 shs Verifone from Lipman Mgr  
Day 2 Purchased 100 shs Verifone  
Day 3 Sold 100 shs Verifone  
Day 4 Sold 100 shs Verifone

Day 3 Sale is Matched to Day 1 Shs Received from Mgr  
Day 4 Sale is Matched to Day 2 Shs Purchased

Table only reflects Sales, if any, Matched to Original Verifone Purchases.